

**Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 E. 14th Street, Des Moines, IA 50319**

FINAL

April 20, 2011

To ensure the most efficient use of State resources, the April 20, 2011, ITTC meeting was held via a conference call pursuant to Iowa Code section 21.8. A video conference call also ensured more Commissioners were able to participate in the meeting and reduced the risk of delays caused by weather or other impediments to travel. The meeting was accessible to members of the public through attendance at the Grimes State Office Building.

Commissioners Present

Robert R. Hardman, Member (Telephonic)
Shannon Cofield, Member (Telephonic)
Richard Bruner, Member (On-Site)
David A. Vaudt, Ex-Officio Member (Telephonic)

Iowa Communications Network Staff Present:

Joseph Cassis, Business and Governmental Services (BGS) Director
Kevin Heinzeroth, Finance Director
Will Walling, Network Operations & Engineering Director
Phil Groner, Business Services Manager
David Marley, Network Operations & Engineering Manager
Tami Fujinaka, Government Relations Officer
Alexis Slade, Executive Secretary (Recorder)

Absent:

Betsy Brandsgard, Member
Timothy L. Lapointe, Member

Guests:

Mark Johnson, Department of Administrative Services (DAS)
John Korkie, QWEST
Roger Adams, QWEST
Aaron Beckerman, Iowa Network Services (INS)

Call to Order

Commissioner Hardman called the meeting to order at 10:32 am. It was noted that a quorum of members were not present for the meeting.

Old Business:

Broadband Opportunities Grant (BTOP) Project Progress – Joseph Cassis

Receiving the Findings of No Significant Impact (FONSI) from the National Telecommunications and Information Administration (NTIA) was a major milestone which permits the ICN to draw upon grant funds. The budget plan and baseline report had to be modified to reflect some of the concerns and issues relating to some developments that occurred and the delay in completing the Environmental Assessment (EA). On April 8, 2011, the ICN received final approval from the Director of the NTIA as well as the acceptance of the SAC (special award conditions), which primarily focused on potential overlaps that could be created with other entities receiving federal funds that would duplicate the same capabilities ICN would be offering. There were two entities that could possibly be duplicating the same capabilities as the ICN, so they submitted letters indicating they will not pursue any kind of services that would conflict with ICN's offerings. The other situation that was a concern was the five -year Indefeasible Right of Use (IRU). The BTOP team was able to overcome the budget obstacles and still fall within the budget cap Lingren stated the team must maintain. The

BTOP team is now moving into the deployment phase, which requires extensive engineering and logistics planning.

The Request for Proposal (RFP) for equipment has been scored and selected, but has not yet been awarded. Senate File (SF) 209 was passed by the House and Senate yesterday and has been sent to the Governor to sign. SF 209 contains language waiving the cap restriction the ICN has on purchases exceeding \$2 million for expenditures related to the BTOP project. The cap would restrain the ICN from purchasing equipment for BTOP. The ICN has ordered \$424,000 worth of equipment so far. A warehouse has been established to store all BTOP related equipment and purchases. The BTOP team has been working closely with the Sac & Fox tribe, ICN's sub-recipient, who is still in the planning stages. It appears that it will take the Sac and Fox the full four years to get their project in line. The Decorah MetroNet is in the engineering planning stages as well, but they're still hoping to have their project completed before the end of 2011. Decorah MetroNet consists of the Winneshiek Medical Center, the City of Decorah Winneshiek County, and Luther College and Decorah Community School District. The City of Decorah will be handling the financial aspects of that and reporting to Heinzeroth so that he can incorporate that information into ICN's reporting and compliance requirements that the Federal Government has designated for us.

Q. Does the MetroNet include the entire Decorah community, including the College and City?

A. The five entities previously mentioned will provide services to the Winneshiek County area. Decorah MetroNet will be doing some construction work; most of it will be aerial fiber, throughout that community.

Q. Is this kind of MetroNet unique only to Winneshiek County?

A. Des Moines has a MetroNet consortium formed under a 28E agreement between the City of Des Moines, Des Moines public schools and ICN. The three entities that either own or plan fiber facilities throughout the fiber metro area and Des Moines area collaborate. For example, if the ICN needs to run fiber down one street and the City of Des Moines another street the two would collaborate on one project and build it all at once. The idea is to only have taxpayers pay one time for these entities to get to a location and the entities share resource costs when there is relocates or other construction or fiber breaks. There is a cost allocation and cost sharing of the fibers and that has been going on in Des Moines since the late 1980's. Decorah is trying to replicate this effort.

Legislative Session Update – Mark Johnson

HF 45 has been passed and signed by the Governor. ICN's Executive Director Dave Lingren and Johnson has visited with each of the four caucus leadership to share with them what the Request for Proposal (RFP) process is and the possibility of extending the deadline stated in that legislation. At this point there's no language being considered. The ICN is requesting the legislature grant an extension of one year to complete the RFP.

HF 254, legislation originally contained language which would have eliminated the waiver process for all certified users. The ICN worked with the Senate and the telecommunications industry to develop compromise language that would limit eliminate the waiver process only for private colleges and non-public schools and grant the ITTC the ability to grant approve waivers for up to three years if requested by the certified user. That language was accepted and passed the Senate and the House who concurred with the amendment, so that bill should be going to the Governor as well.

HF 648 is the infrastructure appropriations bill. Currently there is an equipment replacement appropriation contained in that legislation for a little over \$2.2 million. This legislation appropriates funding for both Fiscal Years (FY) 12 and 13, so it's a two-year appropriation for the amount the ICN originally requested. The Department of Education (DOE) also has their appropriation for the Part III leases at \$2.7 million, so that's all in there and it's been passed by the House and the Senate Appropriations Committee.

Q. What's the process now for getting the extension on the RFP due date?

A. There has not been new language submitted to the legislature yet, but once that's completed ICN will need to work with the legislators to determine what bill to attach the new language to. It could potentially go in the infrastructure or standings bill.

Q. There was to be an implementation team formed starting on April 1, 2011, can an update be provided on the status of that team?

A. ICN is still waiting for a clarification from the Governor's Office regarding the team. ICN has received a positive response to setting up the team. The timeline is very tight under the current timeframe and even with the extension there will be a pretty strict timeframe to complete the RFP.

Video Service Project (VSP) Update – Phil Groner

The bids for the core IP equipment have come back to the ICN and are being evaluated. It is likely that the ICN will make a recommendation to award by April 22, 2011. State rules require a five-day waiting period for appeals and then the ICN can move into contract negotiations with the winning bidder. This core equipment allow ICN to do two things; one is to move towards implementation of that equipment to get the system up and running, which then allows ICN to firm up pricing models developed for the service and for commissioner review.

Q. Are there a number of users that have expressed an interest in this system?

A. Yes, a lot of the education users, community colleges, University of Northern Iowa and a lot of the AEAs have expressed interest in moving to an IP platform for their video conferencing.

New Business:

Customer Survey – Joseph Cassis

The ICN customer survey was launched on April 19, 2011. There are two parts to this survey. The ICN is conducting the survey a little differently than last year. Previously the ICN did a broadcast blast to everyone we had contact information on. Sometimes that worked but sometimes those who received the survey had no idea of why they received the survey because it contained portions that did not relate to their business functions. What the ICN did this year is a two-fold survey; the first one is more of a generic survey that goes directly to the decision makers within the various authorized users we have contact information for. Those individuals would be asked to not only respond to the survey, primarily confirming their contact information and affirming whether they have knowledge of the ICN's services and that type of thing. The survey also requested the individuals consider key staff within their organization and pass the survey on to them so they can participate in the survey. Once the customer responds to the first survey they'll receive another survey with more definitive information requests that relates to their business functions. The first survey has already received over 100 responses out of the 2300 contacts. ICN is hoping to receive it least a 30 percent response rate.

Q. When will the results be tabulated and made available to the Commission?

A. According to the Accountable Government Act the information needs to be captured before the end of the fiscal year. The ICN hopes to have that completed sometime in July 2011 or August 2011 and a presentation shortly following.

Adjournment

Bruner made a motion that the meeting be adjourned; Cofield seconded the motion. With there being no further business, the ITTC Commission meeting adjourned at 11:03 am.

ATTESTED TO:



Betsy Brandsgard, Chair, Iowa Telecommunications and Technology Commission